

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

Call to Order: By **CHAIRMAN JOHN WITT**, on February 1, 2001 at 8.00 A.M., in Room 102 Capitol.

ROLL CALL

Members Present:

Rep. John Witt, Chairman (R)
Sen. Ken Miller, Vice Chairman (R)
Rep. Rosalie (Rosie) Buzzas (D)
Sen. Greg Jergeson (D)
Sen. Royal Johnson (R)
Rep. Art Peterson (R)

Members Excused: None.

Members Absent: None.

Staff Present: Mark Bruno, OBPP
Amy Carlson, OBPP
Pam Joehler, Legislative Branch
Cayenna Johnson, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s): Montana Bureau of Mines and
Geology, Montana Forest and
Conservation Experiment Station
Executive Action: Montana Bureau of Mines and
Geology, Montana Forest and
Conservation Experiment Station

HEARING FOR MONTANA BUREAU OF MINES AND GEOLOGY

{Tape : 1; Side : A; Approx. Time Counter : 0.2; 8:10 a.m.}

Dr. Frank Gilmore, Chancellor, Montana Tech-University of Montana, introduced **Dr. Ed Deal, Director, Montana Bureau of**

Mines and Geology, and State Geologist, stated the Bureau of Mines and Geology (MBMG) is a department of Montana Tech. The Montana Bureau of Mines is a state agency which is non-regulatory, does applied research and is a service agency. They are also the state's geological surveyor. The mission is to investigate geology, mineral resources and groundwater of the state and the publish those results of those investigations. **Dr. Deal** gave an overview of the MBMG per the following exhibit.

EXHIBIT (jeh26a01)

Dr. Deal explained the MBMG budget. Nearly half of the total funding for MBMG comes from grants or contracts. General fund appropriations are critical as many of the grants need to be matched with in-kind funding. MBMG has many different projects going on at any given time throughout the entire state with over 100 different organizations. Very few of these projects are supported entirely by state funds. One example of a state funded program is the Earthquake Studies Office, which is the only in-state program of its kind. Montana is the third or fourth most active earthquake prone state in the country. In 2000 the office detected over 1700 earthquakes in Montana. He said it has been 40 years since Montana has had a serious earthquake, but prior to that Montana had a history of a damaging earthquake about every ten years.

MBMG maintains many databases, the biggest of which is the Geological Mapping Program. This program has 25% federal funds and has a statewide advisory committee to help MBMG run their program. MBMG has too many programs to describe, but most are dominated by groundwater information.

{Tape : 1; Side : A; Approx. Time Counter : 14.2; 8:25 a.m.}

Dr. Deal introduced **Mr. Tom Patton, Manager, Groundwater Assessment Program**, who gave an overview and a history of the program. This program is an information center and one of the main goals is to distribute that information. His testimony can be found in his handout:

EXHIBIT (jeh26a02)

Concerning the budget, **Mr. Patton**, requested the committee raise spending authority from \$600,000 to \$666,000 for MBMG based on the expected increase of the Resource Indemnity Trust (RIT) to exceed \$100 million in the next biennium. The Fifty-Sixth legislature mandated an increase to the Groundwater Assessment Program should RIT exceed \$100 million. The Program cannot receive more than \$666,000.

{Tape : 1; Side : A; Approx. Time Counter : 28; 8:37 a.m.}

Dr. Deal spoke to the committee about MBMG funding requests. He asked the committee fund at a minimum the Martz Executive Budget recommendations. He said like most agencies, the MBMG has grown over the years. Vacancy Savings is a major problem for the agency. In the past 2.8% vacancy savings has been applied while there has only been one vacant position in the last two years. This equaled less than 0.6% vacancy savings for the agency. Other inflationary costs such as telephone lines, the state motel rate and the increased cost of maintaining equipment and facilities have become a burden for MBMG.

Dr. Deal also provided the committee the "Biennial Report of the Activities and Programs of the Montana Bureau of Mines and Geology: July 1, 1999-June 30, 2001".

EXHIBIT(jeh26a03)

Dr. Deal went over the Present Law Adjustments on page E-126 of the LFD Budget Analysis.

{Tape : 1; Side : B; Approx. Time Counter : 0}

He stated the state has not added any new positions with MBMG for 12 years. They have been creative and funded many programs with different types of funding. Some programs are highly underfunded. For example, one person administers 32 seismic stations in Montana. Also, coal bed hydrology research is lagging in Montana, and other energy companies are in need of sub-surface maps to investigate possible oil and gas reserves. **Dr. Deal** explained that MBMG is asking for \$108,000 to fund an additional 1.5 FTE to be used to investigate energy resources.

Committee Questions and Answers:

{Tape : 1; Side : B; Approx. Time Counter : 6.5}

SEN. MILLER stated there seems to be duplication or similarities in the work that NRIS does. He asked if MBMG could take over NRIS. **Dr. Deal** stated he was not qualified to address that but he felt there is not duplication of data, as much of the MBMG data goes into the NRIS database. NRIS acts as a central clearing house for data in the state. He also explained that GIS maps can be generated with numbers and that with a geologic map, an explanation is needed.

REP. PETERSON asked to what extent developers are requesting data concerning radon. **Dr. Deal** explained that most requests

concerning radon have to do with water. A large number of requests are for old mines data with concerns about possible liabilities when buying a claim. There are a huge number of requests about water and wells.

SEN. JERGESON asked about increasing the scale on the maps; **Dr. Deal** explained it would be very expensive to change and not very informative. He said MBMG is focusing on areas where there is concentrated development and highest demand.

{Tape : 1; Side : B; Approx. Time Counter : 22}

REP. PETERSON asked what portion of making maps is covered by map sales. **Dr. Deal** explained that only the cost of the paper for the map is covered.

CHAIRMAN WITT asked Dr. Deal to explain the purpose of the Oil and Gas Commission. **Dr. Deal** explained that they permit wells, oversee wells, recommend casing settings, and collect subsurface data. MBGM could use the data and plot it on a map, but they would need a geologist to translate the data. The Oil and Gas Commission is interested in regulation rather than building maps.

HEARING FOR MONTANA FOREST AND CONSERVATION EXPERIMENT STATION

{Tape : 1; Side : B; Approx. Time Counter : 30}

Dr. Perry J. Brown, Dean of Forestry and Director, Montana Forest and Conservation Experiment Station (MFCES) gave an overview of MFCES in the following PowerPoint Presentation:

EXHIBIT(jeh26a04)

Dr. Perry also provided the "Montana Forest and Conservation Experiment Station: Biennial Report for Fiscal Years 1999 and 2000":

EXHIBIT(jeh26a05)

{Tape : 2; Side : A; Approx. Time Counter : 21.7}

Dr. Perry explained to the committee that if MFCES could have any additional funds, he would like \$65,683 for the development of a forest land operations cooperative. This would address the needs of timber harvesting on small tracts of private land and would be a "nudge" to tap into greater federal grants and monies.

Committee Questions and Answers:

{Tape : 2; Side : A; Approx. Time Counter : 24.8}

SEN. JERGESON asked about the issue that Montana's recent fire catastrophe was due to accumulation of fuels. He asked if MFCES is investigating avenues to find commercial value for these accumulated fuels. **Dr. Perry** stated in some places investments have to be made to clear the underbrush. In addition, materials formerly thought of as "non-commercial" smaller materials can be used for paper pulp and wood chips.

{Tape : 2; Side : A; Approx. Time Counter : 29.5}

SEN. JOHNSON asked for a list of grants and projects that fund MFCES and the amounts of each grant.

{Tape : 2; Side : B; Approx. Time Counter : 4}

REP. PETERSON asked what sort of collaboration MFCES has with other schools. **Dr. Perry** explained that MFCES is part of two cooperatives, the Rocky Mountain Cooperative and the Northern Alliance. He added that in forestry there are not enough resources at any one school and it is imperative schools collaborate their resources and materials.

EXECUTIVE ACTION ON BUREAU OF MINES AND GEOLOGY

{Tape : 2; Side : B; Approx. Time Counter : 10}

Ms. Pam Joehler, Legislative Fiscal Division, covered the Present Law Adjustments of the MBMG on pages E-125 and E-126.

The committee discussed in length the issue of RIT legislation during the 1999 session.

{Tape : 2; Side : B; Approx. Time Counter : 26}

Motion/Vote: **SEN. JOHNSON** moved that **BASE AND GLOBAL STATEWIDE PRESENT LAW ADJUSTMENTS BE ADOPTED**. Motion carried unanimously.

Motion/Vote: **SEN. JOHNSON** moved that **DP 1-ADMINISTRATIVE ASSESSMENT COST INCREASE BE ADOPTED**. Motion carried 5-1 with Witt voting no.

Motion: **SEN. JOHNSON** moved that **DP 2 & 3-ADD BASE POSITION BE ADOPTED**. Motion withdrawn.

Motion/Vote: SEN. JOHNSON moved that RECONSIDER DP 1-ADMINISTRATIVE ASSESSMENT COST INCREASE BE ADOPTED. Motion carried unanimously.

{Tape : 3; Side : A; Approx. Time Counter : 0}

Motion: SEN. JOHNSON moved that BASE, PRESENT LAW ADJUSTMENT AND MARTZ RECOMMENDED VS BE ADOPTED.

Substitute Motion/Vote: REP. BUZZAS made a substitute motion that SEGREGATE DP 699 FROM GLOBAL MOTION AND PRESENT LAW ADJUSTMENTS BE ADOPTED. Substitute motion failed 2-4 with Buzzas and Jergeson voting aye.

Motion: SEN. JOHNSON moved that BASE, PRESENT LAW ADJUSTMENT AND MARTZ RECOMMENDED VS BE ADOPTED. Motion carried unanimously.

Motion/Vote: SEN. JOHNSON moved that DP 2 & 3-ADD BASE POSITION BE ADOPTED. Motion carried unanimously.

Motion/Vote: REP. PETERSON moved that DP 7-MOTOR POOL RATE INCREASE BE ADOPTED. Motion carried unanimously.

Motion/Vote: SEN. MILLER moved that DP 8-REDUCE GROUNDWATER TO APPROPRIATIONS BE ADOPTED. Motion carried unanimously.

{Tape : 3; Side : A; Approx. Time Counter : 7.5}

Motion/Vote: SEN. JERGESON moved that APPLY 2% Vacancy Savings RATE TO PERSONNEL SERVICES BE ADOPTED. Motion failed 4-2 with Buzzas and Jergeson voting aye.

Motion/Vote: REP. PETERSON moved that APPROVE SPENDING AUTHORITY \$66,000 IN FY03 BE ADOPTED. Motion carried unanimously.

{Tape : 3; Side : A; Approx. Time Counter : 15.5}

Motion/Vote: SEN. MILLER moved that TRANSFER NRIS AND THEIR FUNDING TO MBMG BE ADOPTED. Motion failed 1-5 with Miller voting aye.

SEN. JOHNSON said that this is a good question to raise and that finding duplication in these programs is a study worth funding.

Motion/Vote: SEN. JERGESON moved that LANGUAGE ON PAGE E-80 OF LFD BUDGET ANALYSIS BE ADOPTED. Motion carried unanimously.

EXECUTIVE ACTION ON FORESTRY AND CONSERVATION EXPERIMENT STATION

{Tape : 3; Side : A; Approx. Time Counter : 23}

Motion/Vote: SEN. JERGESON moved BASE, STATEWIDE PRESENT LAW ADJUSTMENTS. Motion carried unanimously.

Motion/Vote: REP. BUZZAS moved that DP 1-INSURANCE REALLOCATION BE ADOPTED. Motion carried 5-1 with Witt voting no.

Motion/Vote: SEN. JOHNSON moved that DP 4-MOTOR POOL RATES BE ADOPTED. Motion carried unanimously.

Motion/Vote: SEN. JERGESON moved that FOREST LAND OPERATIONS COOPERATIVE AT \$65,638 PER YEAR BE ADOPTED. Motion failed 4-2 with Buzzas and Jergeson voting aye.

Motion/Vote: SEN. JOHNSON moved that LANGUAGE ON PAGE E-80 OF THE LFD BUDGET ANALYSIS BE ADOPTED. Motion carried unanimously.

{Tape : 3; Side : A; Approx. Time Counter : 31.5}

ADJOURNMENT

Adjournment: 11.10 A.M.

REP. JOHN WITT, Chairman

CAYENNA JOHNSON, Secretary

JW/CJ

EXHIBIT (jeh26aad)